

**U. S. REFUSES ENTENTE'S DEMAND;
WILL NOT EXCLUDE U-BOAT RAIDERS;
GERARD HERE. SILENT ON MISSION**

Surprise Expressed That Allies Should Try to Fix America's Course

MEMO COUCHED IN SHARP LANGUAGE

Warning Given Against Sinking of Any U. S. Sub-

RIGHTS OF NEUTRALS

Note Leaves Government Free to Change Decision at Any Time

WASHINGTON, Oct. 10.—The reply of the United States to the Entente Allies' contention that belligerent submarines should be barred from Amer-

It is a rejection of the viewpoint of the protesting Governments and a declaration that this Government "reserves its liberty of action in all re-

The American memorandum is dated August 31 and is a reply to the memoranda of August 23 from France, Great Britain, Russia and Japan. Subsequently, Italy and Portugal are

The tone of the American memorandum reflects the temper of the A.S.

Ends With a Warning.
It is without the customary text

This is in response to the suggestion

or off the Atlantic coast would endanger American submarines operating there owing to the difficulty in distinguishing the belligerent from the neutral submarine.

The position which the United States has taken is in direct contrast to the

This was partly because they felt their interests had been so damaged by German U-boats on the high seas through the ruthless submarine warfare waged by Germany that these craft were be-

Foresee Serious Damage.
They realized that anchoring belligerent submarines meant tolerating the effects of warfare waged at their very doors.

The question is naturally raised as to the effect the decision of the United States will have on American commerce.

In British Embassy circles it is intimated that Great Britain and her allies will be compelled to take special measures to cope with the submarine menace if it is transferred to American shores.

Particular attention is called to the statement that this Government reserves to itself complete liberty of action. This means, it is said, that the United States may at any time in the future adopt the Entente Allies' point of view. But, for the present, the United States

Text of the Memorandum.
The text of the note follows:
"The Government of the United States has received the information that the memorandum is in accordance with this policy."

neutral governments are exhorted to take efficacious measures tending to prevent belligerent submarines, regardless of their use, to avail themselves of neutral waters, roadsteads and harbors.

their power 'to do injury that is inherent in their very nature,' as well as the 'additional facilities' afforded by having at their disposal places where they can rest and replenish their supplies.

international law regarding the admission and colour of war and merchant